

TEACHERS' RETIREMENT BOARD  
BENEFITS AND SERVICES COMMITTEE

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SUBJECT: Level of Service Standards

ITEM NUMBER: 3

ATTACHMENT: 1

ACTION:     

DATE OF MEETING: February 5, 2003

INFORMATION:   X  

PRESENTERS(S): Peggy Plett

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**EXECUTIVE SUMMARY**

The Level of Service report provides the Benefits and Services Committee with the necessary information to fulfill its oversight responsibility regarding the delivery of benefits and services to CalSTRS members. The following reports for the month of December 2002.

**I. Overview**

CalSTRS paid a total of 179,945 benefit recipients \$384,104,366 in December 2002. The average monthly allowance roll for FY 2002/03 is \$381,161,087. Total disbursements for FY 2002/03 are \$2,286,966,523.

**A. Service Levels:**

1. Service Retirements – Ninety-nine percent of initial payments were processed within 30 days, resulting in no disruption of cash flow for CalSTRS members. With respect to Finalizations, this reporting period pertains to members who retired in July and August 2002. Our finalization percentage for July 2002 reached 82% and for August 2002 reached 73%. In both months approximately 8% of the sick leave reports were outstanding. In addition, there were delays with employer reporting at the start of the fiscal year. The result was a backlog which has been addressed.
2. Disability – Disability Services continues to process most of its caseload within Board established standards. They achieved 99% of the 100% target of Goal One and exceeding Goal Two's established objective by 3% for the month of October. A total of 287 cases have been processed for the current fiscal year with 87% approved for benefits while 6% were rejected for statutory reasons, 7% were cancelled by member request and less than 1% were medically disapproved.

Based on the interest of the Board at the October meeting, the staff has identified approximately 1,000 disability allowance beneficiaries that could be eligible to

elect a pre-retirement option beneficiary. They are in the process of developing an information and services strategy with the Public Affairs Office and various Services Divisions within the Client Benefits and Service Branch for implementation in the coming months.

3. Survivor Benefits – This program continues to make significant improvement in reducing the backlog of cases created by conversion to the START system. The current working inventory of new pre-retirement and post-retirement died cases is 988. There has been an increase of 25% in the last two months of cases completed within 90 days of notification.

There are 85 cases pending in the “over six month” category for the month of December, which is an increase of 65% from last month. This number will continue to fluctuate based on the volume of new notifications coming in and the amount of production hours worked. The “new notifications” for December were up by 209 from the previous month. Cases in this category have been worked, but the caseworkers are unable to get all the necessary documents as they are waiting on the beneficiaries to provide them. It is also important to remember that these individuals are grieving and many times they are not ready to deal with these details.

#### 4. Call Center

Due to the statements of account mailing over the Thanksgiving weekend, December was a busy month in the call center. Service levels, however, remained relatively steady with 80% of calls answered in three minutes and 61% in one minute. Busy messages increased to 11,951 with the majority received during the first few days of the month – 2,132/day average for December 2-6, and 81/day average for December 9-31. Early January data indicates similar trends for the first-of-the-month/quarter/year issues and mid-month 1099 mailings.

#### Service Credit Support

As of 1/13/03, the remaining count was 1,009, down from a high of 4,172. Staff received 843 service purchase requests in December and completed 818. Approximately 90% of the 1,009 were received in the last four months with only a few of the most complex requests remaining from prior months. Students will work extra hours in January during their semester break to further reduce the backlog. Assuming a target 30-day turnaround, we will consider ourselves working on a flow basis when the inventory is reduced to approximately 800-850 cases.

#### Customer Service Initiative

We began our mass recruiting effort by advertising Customer Service Initiative and other System vacancies during the last two weeks of December. Interviews

are scheduled in January and February for eight different Public Service Office and Correspondence unit position types totaling 26 vacancies and the additional eight positions for Regional Counseling Services. Space has been identified to house the new staff with a target move-in date of early March.

We plan to have the eight Regional Counseling Services (RCS) Customer Service Initiative positions filled and staff trained by April with all other new staff on board, trained, and into production by June.

5. Regional Counseling Services

Staff is working on the contract process for 2002/03. Staff has received 95% of county contracts signed by County administrators.

Staff observed interviews conducted by counselors in Santa Cruz, San Diego and Los Angeles. Staff assisted with a PARS workshop in Vacaville.

RCS Counselors served 3,891 CalSTRS members with the combination of retirement interviews and workshops.

RCS Counselors received 94 telephone calls from CalSTRS members due to incorrect award letters and 6 complaints during an individual interview.

Individual interviews are being scheduled for February with the exception of Alameda and Ventura who are booking appointments into March.

6. Interest Payments – Disability benefits paid \$18 for 3 applications. Service Retirements paid \$71 for 5 applications. Survivor Benefits paid \$4,391 for 66 reported deaths, which is an increase from the previous months in this fiscal year.

**II. Individual Program Reports: Pages 1-8**

**III. Miscellaneous Items: Pages 9 - 10**

# CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

Page 1

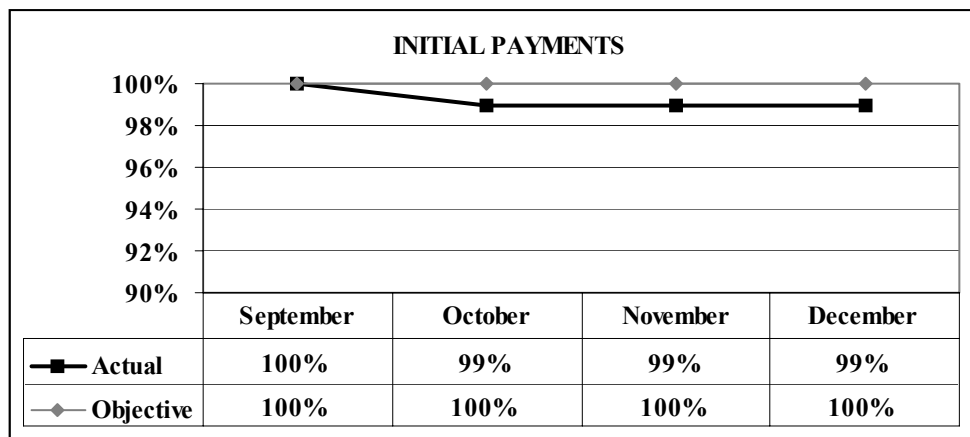
Attachment I  
Benefits & Services – Item 3  
February 5, 2003

## Service Retirements

**Objective** Process 100 percent of all service retirement application payments within 30 days of the retirement effective date or receipt of completed application, whichever is later.

**Application Volume Change** Increased 21 percent in comparison to same period last fiscal year.

**Baseline** FY 2001/02 actual: 99 percent



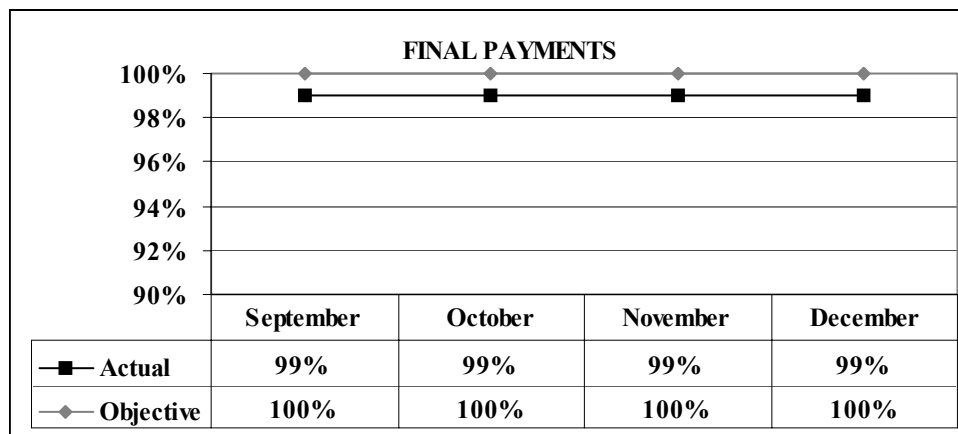
**Year to Date Average: 99%**

**Objective** Process 100 percent of all final service retirement payments within 45 days of receipt of all necessary information.

**Interest Payments** December 2002: 5 payments/\$71

Current Year Cumulative:  
44 payments/\$650  
Current Year Monthly Average:  
7 payments/\$108  
Prior Year Monthly Average:  
17 payments/\$429

**Baseline** FY 2001/02 actual: 99 percent



**Year to Date Average 99%**

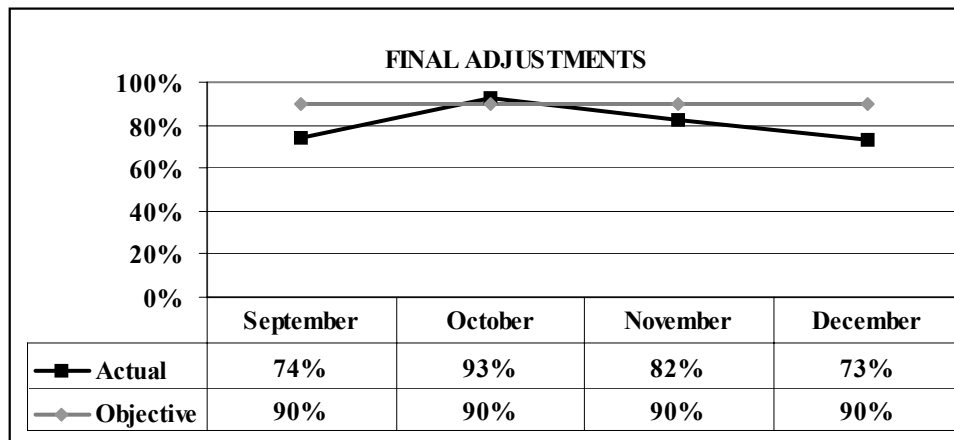
# CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

Page 2

Attachment I  
Benefits & Services – Item 3  
February 5, 2003

## Service Retirements

**Objective** Finalize at minimum 90 percent of service retirement payments within four months of retirement effective date.



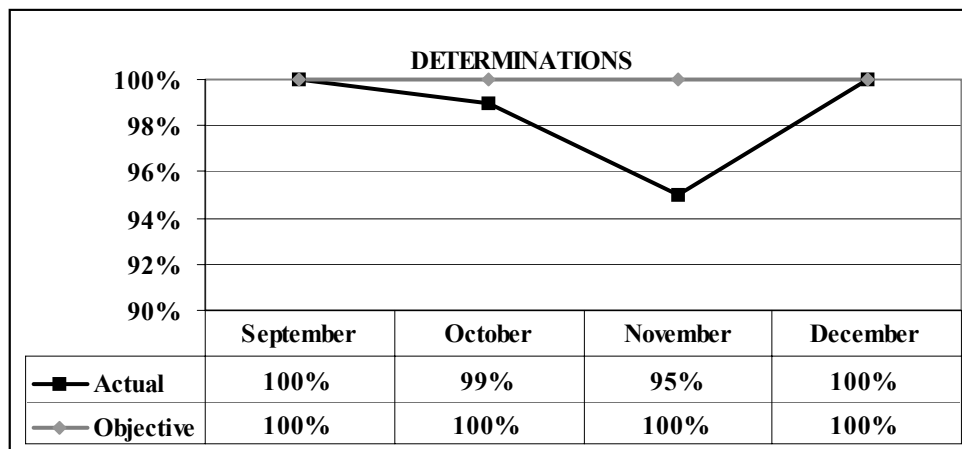
**Baseline** FY 2001/02 actual: 90 percent

**Year to Date Average:** 90%

## Disability

**Objective** Process 100 percent of eligible applications within 180 days of receipt.

**Application Volume Change** Up seven percent in comparison to same period last fiscal year.



**Baseline** FY 2001/02 actual: 99 percent

**Year to Date Average:** 99%

# CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

Page 3

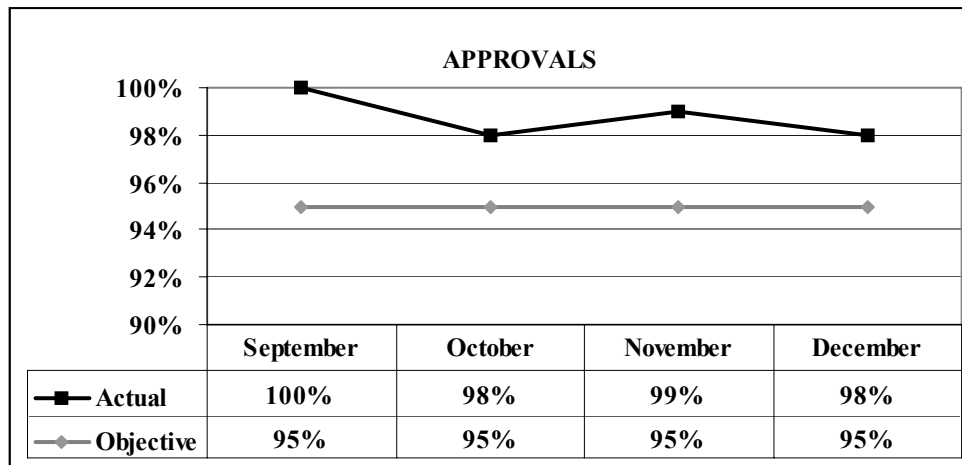
Attachment I  
Benefits & Services – Item 3  
February 5, 2003

## Disability

**Objective** Process at minimum 95 percent of approvals within 30 days of last required document.

**Interest Payments** December 2002: 3 payments/\$1,018

Current Year Cumulative:  
3 payments/\$1018  
Current Year Monthly Average:  
1 payment/\$509  
Prior Year Monthly Average:  
None



**Baseline** FY 2001/02 actual: 99 percent

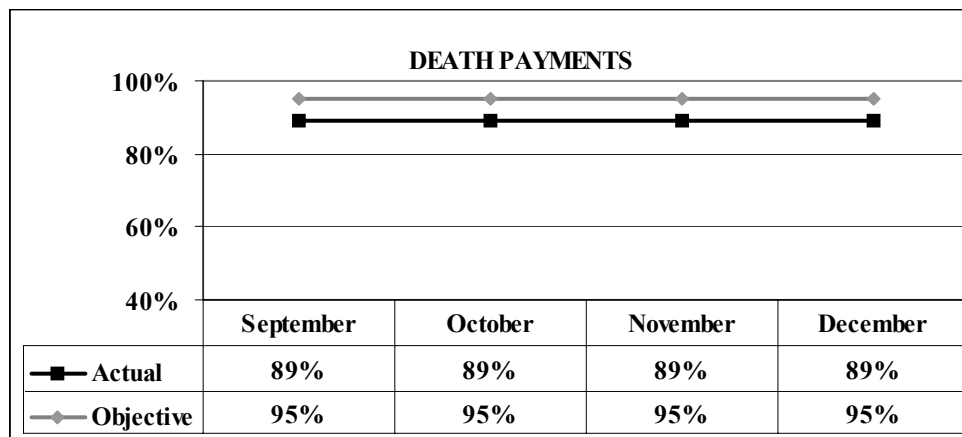
**Year to Date Average:** 99%

## Survivor Benefits

**Objective** Process at minimum 95 percent of applications within 30 days of receipt of all necessary information.

**Interest Payments** December 2002: 66 Payments/\$4392

Current Year Cumulative:  
577 payments/\$40,260  
Current Year Monthly Average:  
96 payments/\$6710  
Prior Year Monthly Average:  
201 payments/\$11,752



**Baseline** FY 2001/02 actual: 71 percent

**Year to Date Average:** 89%

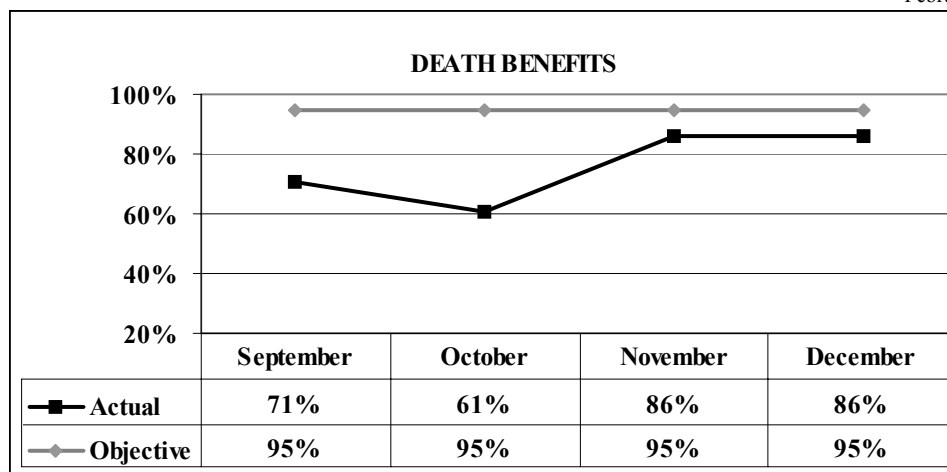
# CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

Page 4

Attachment I  
Benefits & Services – Item 3  
February 5, 2003

## Survivor Benefits

**Objective** Complete at minimum 95 percent of death benefit payments for retired members within 90 days of receipt of notification of death.



**Baseline** FY 2001/02 actual: 44 percent

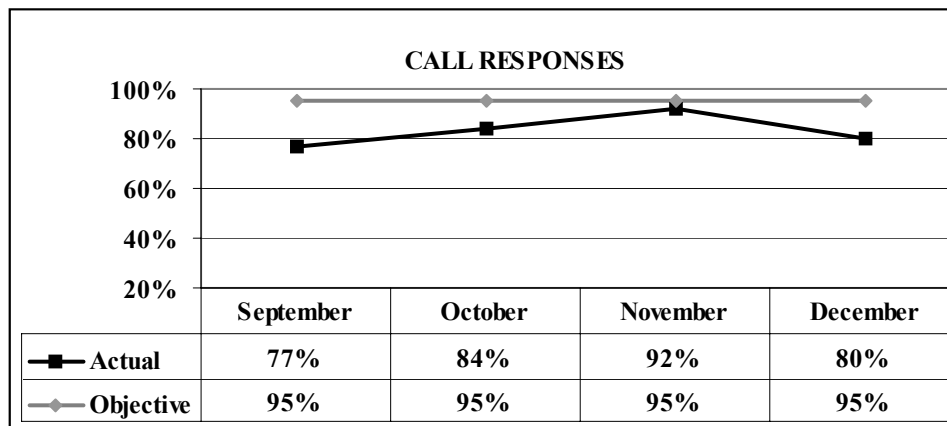
**Year to Date Average:** 75%

## Public Service

**Objective** Answer 95 percent of calls in less than three minutes.

**Volume Change** 24.48 percent increase

**Notes** Average queue time: 30 seconds  
Longest queue wait: 16 minutes



**Baseline** FY 2001/02 actual: 62 percent  
FY 1996/97 Objective:  
80 percent in less than three minutes.

**Year to Date Average:** 81%

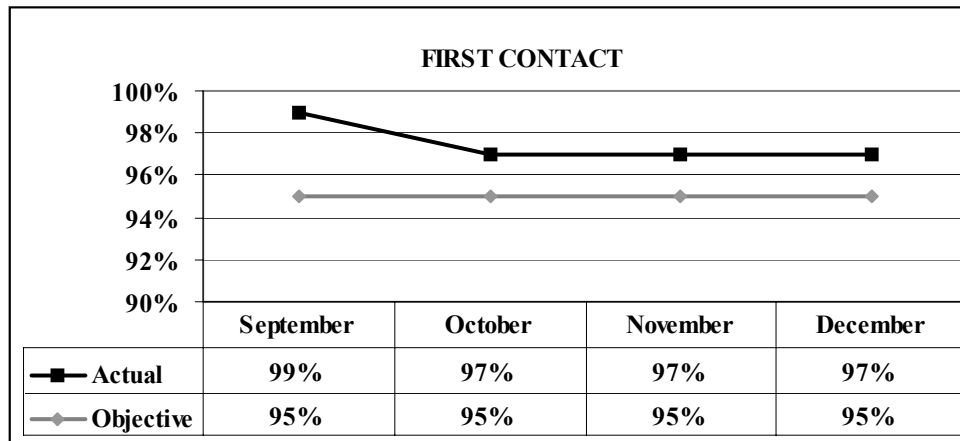
# **CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR**

Page 5

Attachment I  
Benefits & Services – Item 3  
February 5, 2003

## **Public Service**

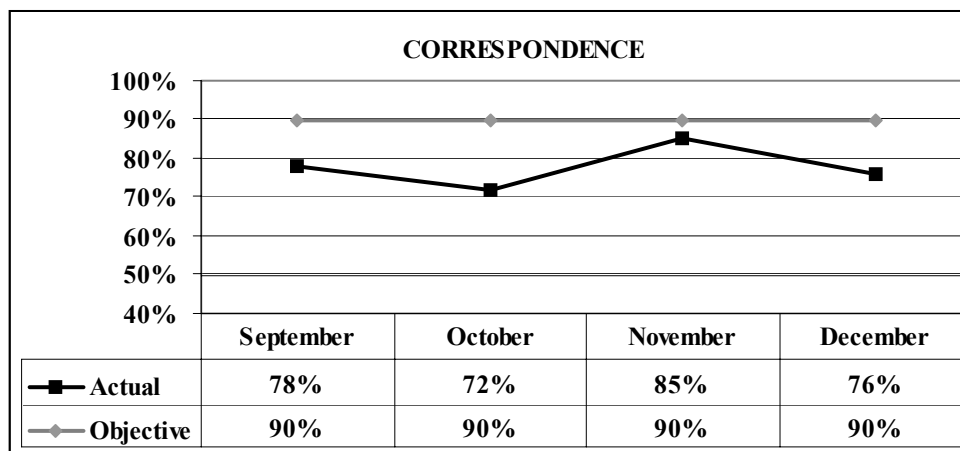
**Objective**      Answer at minimum 95 percent of calls on the first contact.



**Baseline**      FY 2001/02 actual: 98 percent

**Year to Date Average: 98%**

**Objective**      Respond to at minimum 90 percent of correspondence in ten working days.



**Baseline**      FY 2001/02 actual: 61 percent

**Year to Date Average: 78%**



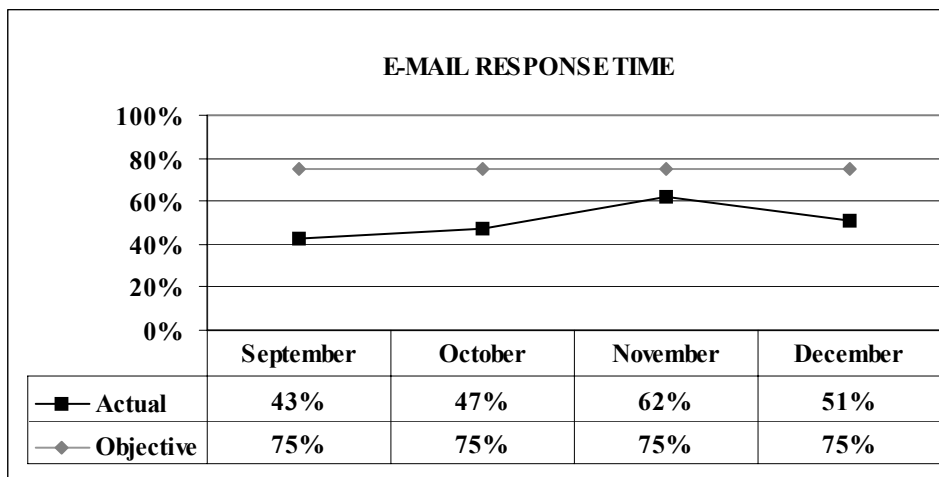
# **CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR**

Page 6

Attachment I  
Benefits & Services – Item 3  
February 5, 2003

**Objective** Respond to at minimum 75% of e-mails in three working days

**Baseline** FY 2001/2002 actual: 41%

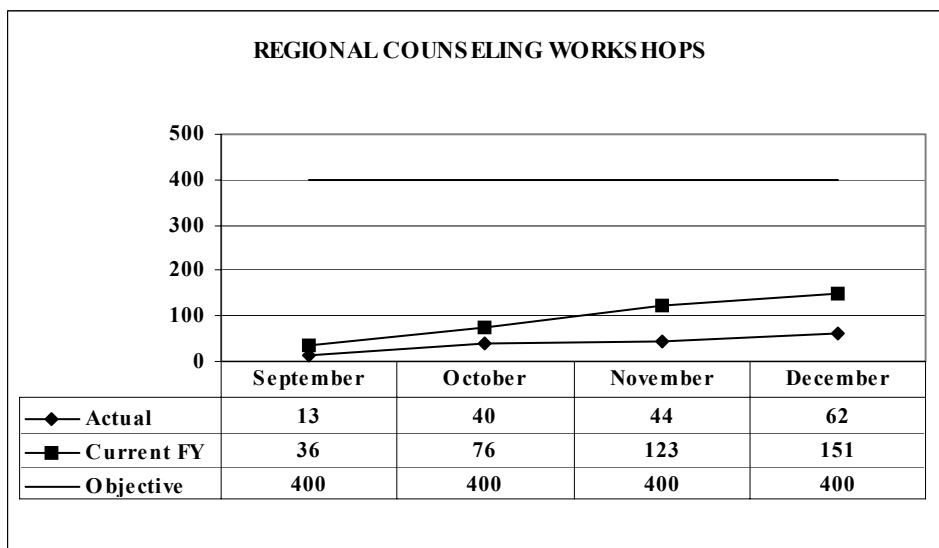


**Year to Date Average: 56%**

## **Regional Counseling Services**

**Objective** Conduct at minimum 400 workshops

**Baseline** FY 2001/02 actual: 497

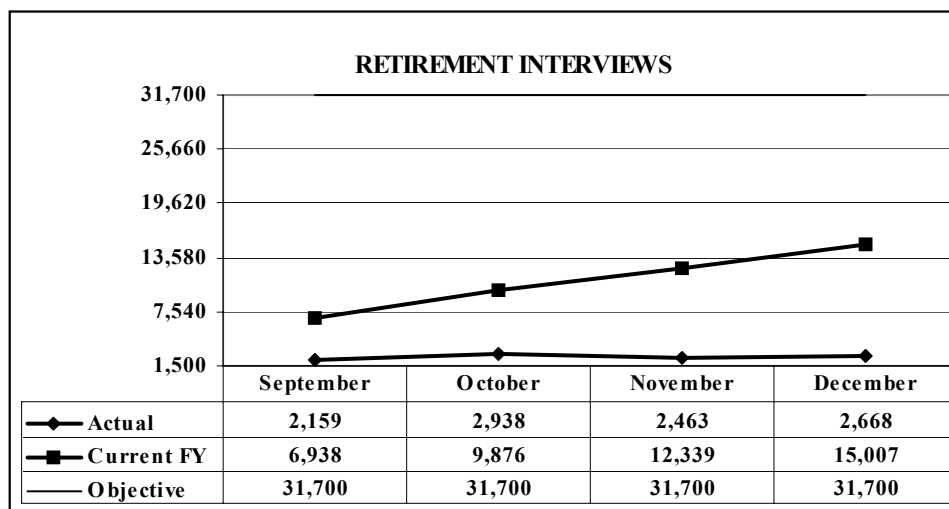


## CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

Attachment I  
Benefits & Services – Item 3  
February 5, 2003

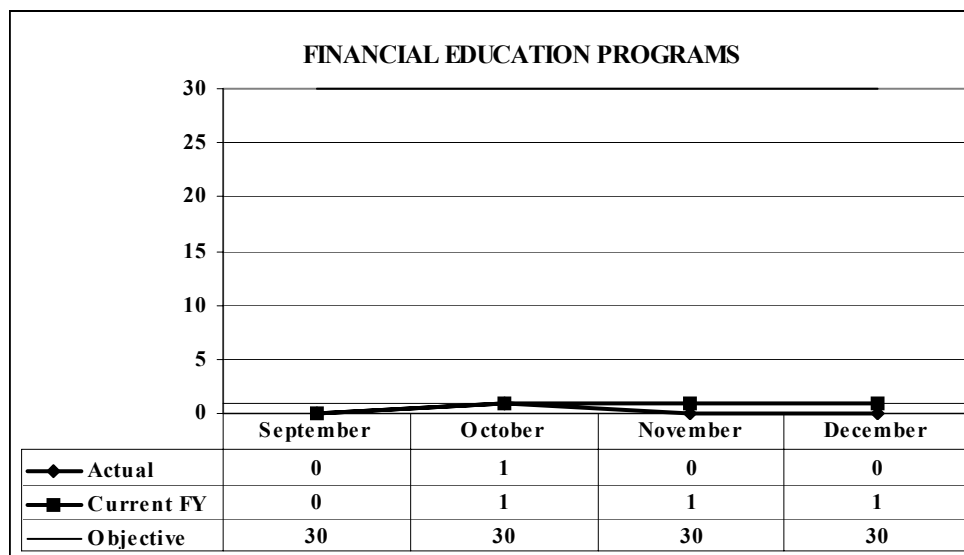
### Regional Counseling Services

**Objective** Provide at minimum 31,700 retirement interviews.



**Baseline** FY 2001/02 actual: 31,477

**Objective** Deliver at minimum 30 Financial Education Program workshops to CalSTRS members.

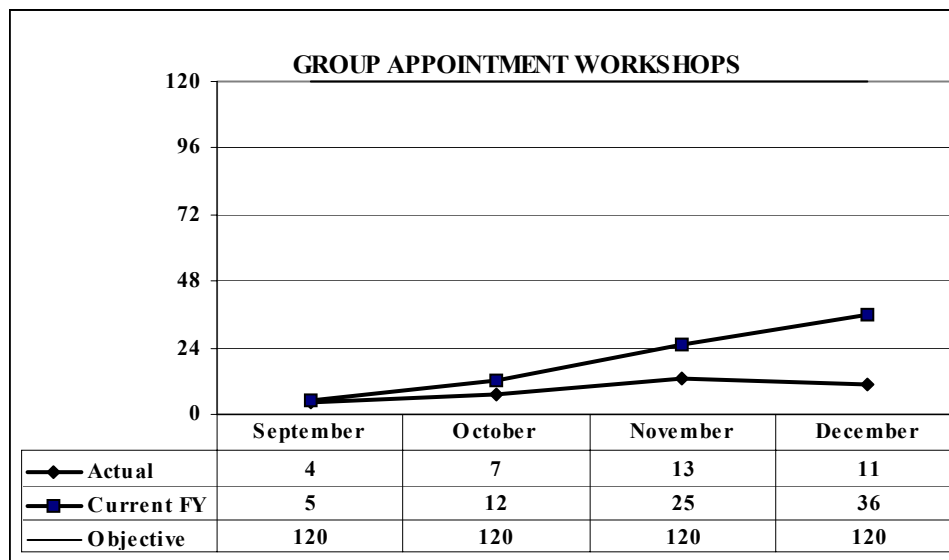


**Baseline** FY 2001/02 actual: 29

# **CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR**

Attachment I  
Benefits & Services – Item 3  
February 5, 2003

**Objective** Deliver at minimum 120 Group Appointment Workshops.



**Baseline** FY 2002/02 Actual: 29

**CalSTRS PRODUCTION OBJECTIVES  
2002-2003 FISCAL YEAR**

Page 9

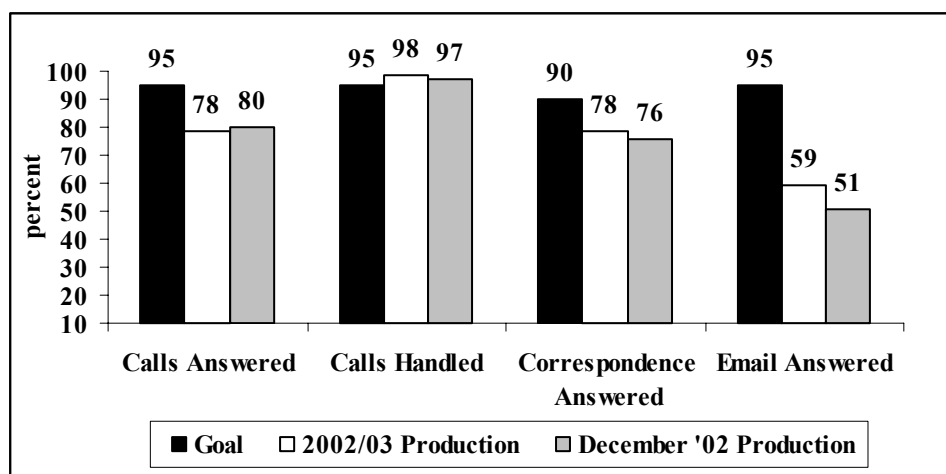
Attachment I  
Benefits & Services – Item 3  
February 5, 2003

### **III. Miscellaneous**

#### **A. Outstanding Survivor Benefit Cases:**

The Education Code requires a report to the Board on outstanding Survivor Benefit cases not paid within six months of the notification of death. As of December there were 85 exceeding this threshold. In November, there were 55 cases beyond the six-month processing period, while in October there were 44 cases exceeding the six-month threshold.

#### **B. Telephone Center:**



# **CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR**

## **C. Telephone Center: (continued)**

Page 10

Attachment I  
Benefits & Services – Item 3  
February 5, 2003

